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COMPONENT UNIT FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT

WATERWORKS DISTRICT NO. 7 OF WARDS 6 AND 8
CALCASIEU PARISH, LOUISIANA

SEPTEMBER 30, 2000

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the mayor and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date: 08/24/01

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Statenboro District No. 7 of Ward 4 and 5
Colleton County, Georgia

We have audited the accompanying general purpose financial statements of the Statenboro District, No. 7 of Ward 4 and 5, Colleton County, Georgia, a component unit of the Colleton Public Police Jury as well as for the year ended September 30, 2009, as listed in the table of contents. These general purpose financial statements are the responsibility of Statenboro District No. 7 of Ward 4 and 5 management. Our responsibility is to express an opinion on these financial statements based on the audit.

We conducted our audit in accordance with generally accepted auditing standards adopted by the American Institute of Certified Public Accountants' (AICPA)'s Auditing Standards, promulgated by the Committee General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes exercising, on a test basis, procedures supporting the assertions and disclosures in the general purpose financial statements. An audit also includes evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Statenboro District, No. 7 of Ward 4 and 5, Colleton County, Georgia, as of September 30, 2009 and the results of its operations and cash flows for the year then ended in conformity with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole.

McWaters and McWaters, LLP
(March 1, 2010)

Authorized Signature of Certified Public Accountant
Firm, Inc./LLP of Certified Public Accountant

Waterworks District No. 7 of Wards 6 and 4
Cadeaux Parish, Louisiana, a component unit of
the Cadeaux Parish Police Jury

BALANCE SHEET
PROPRIETARY FUND TYPE
September 30, 2000

ASSETS

CURRENT ASSETS

Cash	\$ 46,292
Trade Accounts Receivable, (net of \$2,682 allowance for uncollectible accounts)	38,682
Accrued Interest Income	304
Prepaid Insurance	6,711
Total Current Assets	<u>91,989</u>

RESTRICTED ASSETS (Note B)

Cash	462,748
Certificate of Deposits	2,942
Total Restricted Assets	<u>465,690</u>

PROPERTY, PLANT, AND EQUIPMENT (Note A)

Water Plant	3,321,889
Office Furniture and Equipment	32,496
Motors and Equipment	282,625
Less Accumulated Depreciation	(1,237,287)
Land	33,814
Net Property, Plant and Equipment	<u>2,410,537</u>

OTHER ASSETS

Deposit - Land Purchase	1,000
Prepaid Insurance on Bonds	25,412
Bond Issue Costs, Net of \$24,366 Amortization	43,200
Bond Discount, Net of \$20,994 Amortization	69,178
Prepaid Service Agreement (Note E)	8,858
Total Other Assets	<u>127,648</u>
TOTAL ASSETS	<u>\$ 3,258,799</u>

The accompanying notes are an integral part of these statements.

**Waterworks District No. 7 of Wards 6 and 8
Caddo Parish, Louisiana, a component unit of
the Caddo Parish Police Jury**

**BALANCE SHEET (continued)
PROPRIETARY FUND TYPE
September 30, 2008**

LIABILITIES AND FUND EQUITY

CURRENT LIABILITIES

Payable from Current Assets:		
Accounts Payable	\$	64,000
Accrued Expenses:		
Payroll Taxes and Retirement		2,400
Sales Tax		1,500
Payable from Restricted Assets:		
Customer Deposits		64,128
Interest/Interest Payable		50,948
Current Maturities of Bonds Payable:		
General Obligation Bonds Payable (Note D)		8,000
Revenue Bonds Payable (Note D)		10,000
Total Current Liabilities		<u>304,976</u>

LONG TERM LIABILITIES (Notes E)

General Obligation Bonds Payable		
(net of current maturities)		218,000
Water Revenue Bonds Payable		
(net of current maturities)		<u>870,000</u>
Total Long Term Liabilities		<u>1,088,000</u>
TOTAL LIABILITIES		<u>1,393,076</u>

FUND EQUITY

Contributed Capital (Note C):		
Capital Grants		1,087,800
Less Amortization		<u>(487,000)</u>
Total Contributed Capital		<u>600,800</u>

Resident Savings:

Unreserved, Undesignated		1,277,800
Reserved for Revenue Bond Retirement		<u>60,000</u>
Total Resident Savings		<u>1,337,800</u>
TOTAL FUND EQUITY		<u>1,968,400</u>
TOTAL LIABILITIES AND FUND EQUITY	\$	<u>2,361,476</u>

The accompanying notes are an integral part of these statements.

Waterworks District No. 7 of Wards 6 and 4
Caldwell Parish, Louisiana, a component unit of
the Caldwell Parish Police Jury

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
RETAINED EARNINGS, PROPRIETARY FUND TYPE
Year ended September 30, 2000

Operating Revenues:	
Water Revenue	\$ 171,934
Member Fees	11,258
Pipe Revenue	3,818
Service Charge Income	2,403
Late Charge Income	<u>13,218</u>
Total Operating Revenues	402,629
Operating Expenses	<u>(364,418)</u>
Operating Income	41,442
Non-Operating Revenues (Expenses):	
Tax Revenue (Note F)	74,379
Interest Income	8,709
Interest Expense	<u>(78,963)</u>
Revenue Sharing	3,140
Miscellaneous Revenues	1,831
Miscellaneous Expenses	<u>(1,148)</u>
Total Non-Operating Revenues (Expenses)	<u>18,057</u>
Net Income	53,339
Amortization of Contributed Capital (Note C)	<u>27,839</u>
Increase in Retained Earnings	79,589
Retained Earnings at Beginning of Year	<u>1,214,283</u>
Retained Earnings at End of Year	\$ <u>1,293,872</u>

The accompanying notes are an integral part of these statements.

Waterworks District No. 7 of Ward 4 and 4
Calaveras Parish, Louisiana, a component unit of
the Calaveras Parish Police Jury

STATEMENT OF CASH FLOWS
Year Ended September 30, 2000
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

Cash Flows From Operating Activities:

Operating Income	\$	41,442
Adjustments to Reconcile Operating Income to:		
Net Cash Provided by Operating Activities:		
Amortization	5,117	
Depreciation	118,498	
Changes in Assets and Liabilities:		
Decrease in Accounts Receivable	(487)	
Decrease in Accrued Interest Income	(94)	
Decrease in Prepaid Expenses	3,418	
Increase in Restricted Assets	(50,850)	
Decrease in Accounts Payable	16,667	
Decrease in Accrued Expenses	(7,393)	
		<u>111,927</u>
Net Cash Provided by Operating Activities		153,969

Cash Flows From Non-Capital Financing Activities:

Cash Provided From Ad Valorem Taxes	74,579
Cash Provided From Other Governments	5,045
Cash Provided From Non-Operating Miscellaneous Income	1,801
Cash Provided by Customer Deposits	7,895
Cash Payments for Non-Operating Miscellaneous Expenses	<u>(1,144)</u>

Net Cash Provided from Non-Capital Financing Activities	87,180
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Cash Flows from Capital and Related Financing

Activities:	
Principal Paid on Bonds	(21,000)
Interest Paid on Bonds	(86,000)
Cash Payments for Asset Purchases	(260,000)
Deposits on Land Purchases	<u>(2,000)</u>

Net Cash Used for Capital and Related Financing Activities	\$	(321,520)
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The accompanying notes are an integral part of these statements.

Waterworks District No. 7 of Wards 3 and 4
Calcasieu Parish, Louisiana, a component unit of
the Calcasieu Parish Police Jury

STATEMENT OF CASH FLOWS (continued)

Year Ended September 30, 2022

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

Cash Flows from Investing Activities:

Interest Earned on Investments	\$ <u>9,785</u>	
Net Cash Provided by Investing Activities		<u>\$ 9,785</u>
Net Increase in Cash and Cash Equivalents		(71,858)
Cash and Cash Equivalents Beginning of Year		<u>111,858</u>
Cash and Cash Equivalents End of Year (Note 2)	\$	<u>142,717</u>

The accompanying notes are an integral part of these statements.

**Waterworks District No. 7 of Wards 6 and 4
Calcasieu Parish, Louisiana, a component unit of
the Calcasieu Parish Police Jury**

**NOTES TO FINANCIAL STATEMENTS
September 30, 2000**

Note A – Summary of Significant Accounting Policies

Waterworks District No. 7 of Wards 6 and 4 was created by the Calcasieu Parish Police Jury, as authorized by Louisiana Revised Statute 33:3811. The Waterworks District is governed by a five-member board of commissioners who are appointed by the police jury and are responsible for providing water service to users within the boundaries of the district.

In conformance with the National Council on Governmental Accounting, Statement 3, Waterworks District No. 7 of Wards 6 and 4 is a component unit of the Calcasieu Parish Police Jury, the governing body of the parish. The accompanying financial statements present information only on the fund maintained by Waterworks District No. 7 of Wards 6 and 4 and do not present information on the Calcasieu Parish Police Jury and the general government services provided by that governmental unit.

Fund Accounting

Waterworks District No. 7 of Wards 6 and 4 is organized and operated as an Enterprise Fund whereby a self-balancing set of accounts is maintained that comprise its assets, liabilities, fund equity, revenues and expenses. The operations are financed and operated in a manner similar to a private business enterprise, where the intent of the governing body is that the cost (expenses, including depreciation) of providing services on a continuing basis be financed or recovered primarily through user charges and all various fees.

Property, Plant, and Equipment

The accounting and reporting treatment applied to property, plant and equipment and long-term liabilities associated with a fund are determined by its measurement focus. Proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets.

Depreciation is provided in this enterprise fund in amounts sufficient to reflect the cost of the depreciable assets to operations over their estimated service lives on the straight-line basis. The service lives range from 3 to 40 years.

Depreciation expense for the year ended September 30, 2000 was \$116,490.

**Waterworks District No. 7 of Wards 6 and 4
Calcasieu Parish, Louisiana, a component unit of
the Calcasieu Parish Police Jury**

**NOTES TO FINANCIAL STATEMENTS (continued)
September 30, 2000**

Property, Plant, and Equipment (continued)

Additions and deletions to property plant, and equipment for the year ended September 30, 2000 were as follows:

	<u>Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>End of Year</u>
Water Plant	\$ 3,368,343	\$ 134,544	\$ -	\$ 3,502,887
Office Furniture and Equipment	12,486	-	-	12,486
Motors and Equipment	<u>260,126</u>	<u>49,848</u>	<u>(36,761)</u>	<u>263,625</u>
Totals	\$ <u>3,629,739</u>	\$ <u>203,892</u>	\$ <u>(36,761)</u>	\$ <u>3,797,600</u>

Basis of Accounting

The accrual basis of accounting is used by the Waterworks District with revenues being recognized when earned and expenses being recognized when incurred. Unbilled utility service receivables are recorded at year end.

Budgets and Budgetary Accounting

The District adopts a budget annually for operating expenses. The budget is adopted under a basis consistent with GAAP, except that depreciation, certain capital expenses, revenues, nonoperating income and certain nonoperating expense items are not considered. The budget for the District is not presented in these statements.

Risk Management

The Water District purchases fidelity bonds, worker's compensation coverage and general liability and property insurance from a commercial insurance carrier in order to manage its risks. During the year ended September 30, 2000, the District contributed \$13,600 in premiums. There were no significant reductions in insurance coverage from the prior year.

**Waterworks District No. 7 of Wards 4 and 4
Calcasieu Parish, Louisiana, a component unit of
the Calcasieu Parish Police Jury**

**NOTES TO FINANCIAL STATEMENTS (continued)
September 30, 2008**

Note B – Restricted Assets

Restricted assets were applicable to the following at September 30:

Water Depreciation and Contingency Fund	\$	81,863
Water Reserve Fund		190,593
Water Revenue Bond and Interest Sinking Fund		111,123
General Obligation Bond and Interest Sinking Fund		108,344
Customer Deposits Fund		1,947
Cash with Fiscal Agent		27
	\$	<u>473,897</u>

The Revenue Bond Resolution contains certain restrictive covenants which, among other things, require the establishment and maintenance of a "Water Revenue Bond and Interest Sinking Fund" (the "Sinking Fund") to ensure the prompt payment of principal and interest installments as they become due. The Resolution requires that a sum equal to one-twelfth of the total amount of principal and interest falling due in the coming year be restricted on a monthly basis. The Resolution also required that five percent of the amount to be paid into the "Sinking Fund" for the month be restricted until such time that the accumulated balance is equal to the highest combined principal and interest falling due in any year. An amount of \$575.00 is required to be deposited monthly in to the "Depreciation Fund" to cover depreciation, extension, additions, improvements, and replacements necessary to properly operate the system.

In prior years, tax was levied, assessed and imposed on all the taxable property in Waterworks District No. 7 of Wards 4 and 4, Calcasieu Parish, Louisiana, for the purpose of paying the principal and interest on the General Obligation Bonds. Tax revenues received that were dedicated for such purposes are required to be restricted.

Louisiana Revised Statutes require that at least ten percent of the total amount of customer deposits be maintained in a cash reserve fund.

Note C – Contributed Capital

Contributed capital at September 30, 2008 consists of grants received in 1984, 1981, and 1988 which were restricted by the grantors to be used for construction of and improvements to the waterworks system. Contributed capital has been reduced in each year by the amount of \$21,850 of amortization recognized on assets constructed through such resources. At September 30, 2008 the unamortized amount of contributed capital was \$674,820.

**Waterworks District No. 3 of Wards 4 and 4
Calcasieu Parish, Louisiana, a component unit of
the Calcasieu Parish Police Jury**

**NOTES TO FINANCIAL STATEMENTS (continued)
September 30, 2000**

Note C - Contributed Capital (continued)

Grants included in contributed capital at September 30, 2000 are as follows:

Agency	Project Number	Award Amount Received
U. S. Department of Agriculture Farmer's Home Administration	507-10-08	\$ 121,000
State of Louisiana Department of Transportation and Development	507-10-08	200,000
State of Louisiana Department of Transportation and Development	507-10-02	110,000
Total		\$ 1,002,000

Note D - Long Term Liabilities

The following is a summary of bond transactions of the Waterworks District for the year ended September 30, 2000:

	Revenue Bonds	General Obligation Bonds
Outstanding at September 30, 1999	\$ 910,000	\$ 735,000
Issued in Year	---	---
Retired in Year	(10,000)	(7,000)
Outstanding at September 30, 2000	<u>\$ 900,000</u>	<u>\$ 728,000</u>

**Waterworks District No. 7 of Wards 6 and 4
Calcasieu Parish, Louisiana, is a component unit of
the Calcasieu Parish Police Jury**

**NOTES TO FINANCIAL STATEMENTS (continued)
September 30, 2000**

Note B - Long Term Liabilities (continued)

Bonds payable consists of the following at September 30, 2000:

Revenue Bonds:

\$1,000,000 Water Revenue Bonds, dated November 1, 1991, due in annual principal installments of \$20,000 - \$80,000 through November 1, 2016, plus interest currently at 6.6% and varying to 7% \$ 980,000

General Obligation Bonds:

\$277,000 Waterworks System Bonds, dated November 1, 1993, due in annual principal installments of \$4,000 - \$23,000 through May 1, 2017, plus interest currently at 6.6% and varying to 7% (this issue secured by levy and collection of ad valorem taxes) 278,000

1,258,000

Less current maturities (38,000)

\$ 1,220,000

The annual requirements to service all debt outstanding as of September 30, 2000 are as follows:

<u>Year Ending</u> <u>September 30,</u>	<u>Revenue</u> <u>Principal</u>	<u>Bonds</u> <u>Interest</u>	<u>Obligations</u> <u>Principal</u>	<u>Bonds</u> <u>Interest</u>
2001	\$ 38,000	\$ 84,710	\$ 8,000	\$ 15,788
2002	38,000	88,799	8,000	15,280
2003	38,000	93,513	9,000	14,760
2004	38,000	98,135	9,000	14,210
2005	40,000	102,760	10,000	13,640
Thereafter	738,000	340,000	182,000	88,940
	<u>\$ 900,000</u>	<u>\$ 818,910</u>	<u>\$ 208,000</u>	<u>\$ 188,188</u>

**Waterworks District No. 7 of Wards 6 and 4
Calcasieu Parish, Louisiana, a component unit of
the Calcasieu Parish Police Jury**

NOTES TO FINANCIAL STATEMENTS (continued)

September 30, 2009

Note E – Cash and Investments

At September 30, 2009 the book balance of the District's deposits was \$ 522,148 and the bank balance was \$334,788.

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Insured (FDIC)		
CDs	\$ 7,847	\$ 7,847
IRAs	333,230	333,230
Uninsured:		
Collateral held by pledging bank's trust department in District's name	<u>186,658</u>	<u>186,658</u>
	<u>\$ 522,148</u>	<u>\$ 334,788</u>

Note F – Ad Valorem Taxes

For the year ended September 30, 2009 taxes of 0.60 mills were levied on all the taxable property in Waterworks District No. 7 of Wards 6 and 4, Calcasieu Parish, Louisiana, and dedicated for maintenance and operational purposes.

The following is a schedule of the 1999 property tax calendar that is applicable to the District:

1. Levy date - October, 1999
2. Billing date - November, 1999
3. Collection date - December, 1999 - May, 2000
4. Due dated - On receipt
5. Delinquent date - December 31, 2000
6. Lien date - June, 2000

These taxes, less certain uncollectibles, collection costs and adjustments, plus minor amounts of prior year taxes are reported for the fiscal year ended September 30, 2009.

**Waterworks District No. 7 of Wards 6 and 4
Calcasieu Parish, Louisiana, a component unit of
the Calcasieu Parish Police Jury**

NOTES TO FINANCIAL STATEMENTS (Continued)
September 30, 2000

Note 2 - Flow of Funds: Restrictions on Use - Utilities Revenues

Under the terms of the bond resolutions on outstanding Water Revenue Bonds dated November 3, 1991, all income and revenue of every nature, earned and derived from operation of the waterworks system are pledged and dedicated to the retirement of said bonds, expenses of operating and maintaining the system. Such revenue is to be deposited into a separate and special bank account to be administered in the following order of priority and for the following purposes:

The payment of all reasonable and necessary expenses of administration, operation and maintenance of the system.

The establishment and maintenance of a Water Revenue Bond and Interest Sinking Fund by transferring from the Operating Account each month an amount constituting 1/12 of the semi-annual installment including interest on the outstanding bonds. Such transfers shall be fully sufficient to assure the prompt payment of principal and interest installments as they become due, and may be used only for such payments.

The establishment and maintenance of a Water Reserve Fund by transferring from the Operating Account each month an amount at least equal to 5.0% of the amount to be paid into the sinking fund described above until there shall have been accumulated in the Reserve account an amount equal to the maximum principal and interest requirements in any one maturity year. The money in said account is to be retained solely for the purpose of paying the principal of and interest on bonds payable from the Sinking Fund as to which there would otherwise be default.

The establishment and maintenance of a Water Depreciation and Contingency fund by transferring from the Operating Account the sum of \$515 each month to cover for depreciation, extensions, additions, improvements and replacements necessary to properly operate the system. Money in this fund may also be used to pay principal or interest on the bond falling due at any time if there is not sufficient money for payment in the other bond funds.

The balance of the excess funds on deposit in the Water Revenue Fund, after the transfer of the required amount into the above noted funds, may be used for the purpose of calling and/or paying bonds or for any other lawful corporate purpose.

**Warravonka District No. 5 of Wards 4 and 4
Calcasieu Parish, Louisiana, a component unit of
the Calcasieu Parish Police Jury**

NOTES TO FINANCIAL STATEMENTS (Continued)
September 30, 2008

Note H - Retirement System

Full-time employees are members of the Parochial Employees' Retirement System of Louisiana, a Public Employee Retirement System (PERS), which is the administrator of a cost sharing, multiple-employer plan.

Current year payroll was \$113,268 all of which was covered by the Plan.

Any person who is a permanent employee and works at least 28 hours a week and whose compensation is paid wholly or partly by a covered employer is covered by this system.

Plan Benefits

Plan A Fund Benefit:

Any member is eligible for normal retirement if he has at least 30 years of creditable service regardless of age, 25 years of creditable service and is at least age 55 or 10 years of creditable service and is at least age 60.

The retirement allowance is equal to three percent of the member's final average compensation (defined as the average of the highest consecutive 36 months) multiplied by his years of creditable service; however, any employee who was a member of the supplemental plan only prior to the revision date has the benefit earned for service credited prior to the revision date on the basis of one percent of final compensation plus two dollars per month for each year credited prior to the revision date, and three percent of final compensation for each year of service credited after the revision date. The retirement allowance may not exceed the greater of one hundred percent of a member's final salary (last 12 months) or the final average compensation.

A member is eligible to retire and receive disability benefits if he has at least 5 years of creditable service, is not eligible for normal retirement and suffers disability which has been certified by the State Medical Disability Board. The rate is 3% of the member's final compensation multiplied by his years of creditable service under certain conditions outlined in the statutes.

Upon death of a member with 5 or more years of creditable service, the Plan provides benefits for surviving spouses and minor children. Under certain conditions outlined in the statutes, the benefits range from 30% to 60% of the member's final compensation.

**Waterworks District No. 7 of Ward Parish and
Catahoula Parish, Louisiana, a component unit of
the Catahoula Parish Police Jury**

NOTES TO FINANCIAL STATEMENTS (Continued)
September 30, 2008

Note II – Retirement System (continued)

Deferred Retirement Option

In lieu of terminating employment and accepting a service retirement allowance, any member who has been an active contributing member for one full year after becoming eligible for a normal retirement allowance may elect to participate in the Deferred Retirement Option Plan, and delay the receipt of benefits.

The duration of participation in the plan shall be specified and shall not exceed two years.

Upon the effective date of the commencement of participation in the plan, membership in the system shall terminate. Employer contributions shall continue to be payable by the employer during the person's participation in the plan, but payments of employee contributions shall cease upon the effective date of the person's commencement of participation in the plan.

The monthly retirement benefits that would have been payable, had the person elected to cease employment and receive a service retirement allowance, shall be paid into the Deferred Retirement Option Plan fund, which shall not earn interest.

Upon termination of employment at the end of the specified period of participation, a participant in the plan shall receive, at his/her option, a lump sum payment from the Deferred Retirement Option Plan fund equal to the payments made to that fund on his/her behalf; a true annuity based upon his/her account in that fund, or any other method of payment approved by the Board of Trustees.

Contributions

The actuarially required employer contribution for Plan A was determined by adding to the normal cost an amortization payment on the unfunded accrued liability which was based on a 48 year annuity with payments increasing at 4% per year. This payment method conforms to legislation passed during 1988 by the Louisiana Legislature.

Member Contributions:

Member Contributions, established by Statute at 9.50% of total compensation for Plan A and at 2.0% of salary in excess of \$1,300 for Plan B, are deducted from the member's salary. Employees contributed \$4,188 in the year ended September 30, 2008.

**Waterworks District No. 7 of Wards 6 and 4
Calcasieu Parish, Louisiana, a component unit of
the Calcasieu Parish Police Jury**

**NOTES TO FINANCIAL STATEMENTS (Continued)
September 30, 2009**

Note H – Retirement System (continued)

Employer Contributions

Employer contributions are actuarially determined every fiscal year according to statutory process. Written notices of these rates are provided to employees annually. Employer rates are 7.15% for Plan A and 1.0% for Plan B. The District contributed \$8,776 on behalf of its employees for the year ended September 30, 2009.

Note I – Compensated Absence

The District does not accrue compensated absence as they do not have a formal policy regarding compensated absence. Terminated employees do not receive compensation for unused time.

Note J – Cash and Cash Equivalents

For purposes of the statement of cash flows, the Waterworks District considers all short-term debt securities purchased with a maturity of three months or less to be cash equivalents.

Note K – Management Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect various reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note L – Perpetual Servitude

In June, 1985, the Waterworks District entered into a perpetual servitude agreement for the right to drill and maintain water wells, construct and maintain water lines, and to perform such other tasks as may be reasonably related to the operation and maintenance of water wells on the property located next to the Waterworks District main office. The total cost of the agreement was \$8,000.

Note M – Subsequent Events

In October 2009, The District purchased 10 acres of land with a building, adjacent to the current office facility for \$81,000. The District intends to move the business office to the new building and maintain the current building for its operations.

Waterworks District No. 7 of Wards 6 and 4
Calcasieu Parish, Louisiana, a component unit of
the Calcasieu Parish Police Jury

SCHEDULE OF OPERATING EXPENSES
PROPRIETARY FUND TYPE

Year Ended September 30, 2009

<i>Amortization</i>	\$ 5,187
<i>Advertising</i>	989
<i>Board Per Diem</i>	2,380
<i>Bank Charges</i>	1,781
<i>Chemicals</i>	8,680
<i>Depreciation</i>	136,480
<i>Fees and Subscriptions</i>	822
<i>Fiscal Agent Charges</i>	2,900
<i>Fuel</i>	7,798
<i>Insurance</i>	16,633
<i>Office Expenses</i>	3,424
<i>Payroll Taxes and Retirement</i>	11,313
<i>Permits and Licenses</i>	443
<i>Postage</i>	3,513
<i>Professional Services</i>	4,138
<i>Professional Development</i>	498
<i>Rent</i>	253
<i>Repairs and Maintenance</i>	18,739
<i>Salaries</i>	113,209
<i>Supplies</i>	14,821
<i>Telephone</i>	4,731
<i>Travel and Meals</i>	546
<i>Uniforms</i>	647
<i>Utilities</i>	36,549
	<u>\$ 563,428</u>

would be rendered in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no evidence indicating the internal control over financial reporting and its operation that are essential to the general accounting.

This report is intended solely for the information and use of the Winnipeg's District No. 2 of Ward 6 and 4, Colquhoun Parish, a component unit of the Colquhoun Parish Police Jury management, and the Legislative Council of the State of Louisiana and is not intended to be and should not be used by anyone other than those specified parties.

The Director and the Director of the State of Louisiana

March 3, 2010

**Waterworks District No. 5 of Wards 4 and 4
Calcasieu Parish, Louisiana, a component unit of
the Calcasieu Parish Police Jury**

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

For the Year Ended September 30, 2009

Findings

There were no findings in the year.

Waterworks District No. 7 of Wards 8 and 4
Calcasieu Parish, Louisiana, a component unit of
the Calcasieu Parish Police Jury

SCHEDULE OF FIVE YEAR FINDINGS AND RECOMMENDATIONS

For the Year Ended September 30, 2009

Findings

There were no findings in the year.